

SHOW LOW CITY COUNCIL
Regular Meeting – Tuesday, January 5, 2016

PURSUANT to A.R.S. Section 38-431.02, notice is hereby given to the Show Low City Council and to the general public, that a **Regular Meeting** of the Show Low City Council will be held on Tuesday, January 5, 2016, at 7:00 p.m. in the City Council Chambers, 181 North 9th Street, Show Low, Navajo County, Arizona. The agenda for this meeting is as follows.

1. Call to Order.
2. Roll Call.
3. Invocation.
4. Pledge of Allegiance.
5. **CALL TO THE PUBLIC:**

Any citizen desiring to speak on a matter that is within the jurisdiction of the City Council may do so at this time. Comments may be limited to three minutes per person and shall be addressed to the City Council as a whole, and not to any individual member. Issues raised shall be limited to those within the jurisdiction of the City Council. Pursuant to the Arizona Open Meeting Law, the City Council cannot discuss or act on items presented at this time. At the conclusion of the call to the public, individual City Council members may (1) respond to criticism made by those who have spoken, (2) ask staff to review a matter, and (3) ask that a matter be put on a future agenda.

6. **SPECIAL EVENTS:**

A. Presentation of Comprehensive Annual Financial Report.

7. **CONSENT CALENDAR:**

- A. Proclamation by the Mayor Proclaiming January 18, 2016 as **MARTIN LUTHER KING, JR. DAY OF SERVICE** in the City of Show Low.
- B. Consideration of Acceptance of Construction of Fairway Park Waterline Improvements, City of Show Low Project No. W-1614. (Shane Hemesath)
- C. Consideration of Reappointment of Board Member to Show Low Municipal Property Corporation. (Ed Muder)
- D. Consideration of Memorandum of Understanding for Cooperative Management of Show Low Wetlands System. (Bill Kopp)

- E. Consideration of Approval of Commercial Hangar Sublease Agreement Between O & O Investment, LLC and Boutique Air, Inc. at Show Low Regional Airport and Approval of Fourth Addendum to Commercial Ground Lease and Operating Agreement. (Glen Boyd)
- F. Consideration of Minutes of Show Low City Council meetings:
 - (1) Regular Meeting of December 1, 2015.

8. **NEW BUSINESS:**

- A. Consideration of Ordinance No. 2016-01 Amending Section 7-5, *Building Permit Fees*, of Chapter 7, *Building*, of the Show Low City Code. (Justen Tregaskes)
- B. Consideration of Resolution No. R2016-01 Adopting Building Permit Fee Schedule. (Justen Tregaskes)
- C. Consideration of Resolution No. R2016-02 Revising Term Expiration Dates for Commission, Board, and Committee Members. (Ann Kurasaki)

9. **SUMMARY OF CURRENT EVENTS:**

- A. Council Members
- B. Mayor
- C. City Manager

10. **SCHEDULING OF MEETINGS:**

Scheduling of meetings, which may be brought up at this time.

11. **ADJOURNMENT.**

SCHEDULED MEETINGS/EVENTS:

01/05/16	7:00 PM	CITY COUNCIL – REGULAR MEETING
01/12/16	7:00 PM	P&Z COMMISSION – REGULAR MEETING
01/19/16	6:00 PM	CITY COUNCIL – BUDGET STUDY SESSION
01/19/16	7:00 PM	CITY COUNCIL – REGULAR MEETING
01/21/16	6:00 PM	TOWN HALL BUDGET MEETING FOR CITIZEN INPUT
01/28/16	7:00 PM	P&Z COMMISSION – REGULAR MEETING

NOTICE TO PARENTS AND LEGAL GUARDIANS: Parents and legal guardians have the right to consent before the City of Show Low makes a video or voice recording of a

minor child, pursuant to A.R.S. § 1-602(A)(9). The Show Low City Council regular meetings are recorded and may be viewed on the City of Show Low's website. If you permit your child to attend/participate in a televised City Council meeting, a recording will be made. You may exercise your right not to consent by not allowing your child to attend/participate in the meeting.

Ann Kurasaki, City Clerk

I, Ann Kurasaki, do hereby certify that the foregoing notice was posted on Thursday, December 31, 2015.

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Proclamation

*City of Show Low
Office of the Mayor and City Council*

WHEREAS, the Rev. Dr. Martin Luther King, Jr., who was born on January 15, 1929, dedicated his life to promoting peace, freedom, equality, and justice for all through non-violent means; and

WHEREAS, in 1983, the United States Congress recognized Dr. King's legacy as one of America's outstanding civil rights leaders by adopting the third Monday in January (the month of his birth) as a federal holiday and, in 1994, designated this holiday as a national day and service; and

WHEREAS, the Martin Luther King, Jr. Day of Service is observed as a "day on, not a day off" to devote to service projects that strengthen communities, empower individuals, bridge barriers, and create solutions to social problems; and

WHEREAS, the Show Low City Council and the City of Show Low value and encourage community service and will honor Dr. King's teachings by designating a day in May 2016 to devote to one or more projects that will benefit the entire community.

NOW, THEREFORE, I, Daryl Seymore, Mayor, on behalf of the Show Low City Council, do hereby proclaim **January 18, 2016**, as

♣ Martin Luther King, Jr. Day of Service ♣

in the City of Show Low and encourage citizens to volunteer their time and participate with city employees in a service project on May 14 that will strengthen and enhance this community.

Dated this **5th** day of **January, 2016**.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Seal of the City of Show Low.

Daryl Seymore
Mayor

CITY OF SHOW LOW STAFF SUMMARY REPORT

AGENDA TITLE: Consideration of Acceptance of Construction of Fairway Park Waterline Improvements, City of Show Low Project No. W-1614 (Shane Hemesath)

RECOMMENDATION

I **MOVE** to accept the construction of the Fairway Park waterline improvements, City of Show Low Project No. W-1614, completed by Apache Underground and Excavating, release the retainage, and initiate the two-year warranty period.

BACKGROUND

The City's fiscal year 2015 Capital Improvements Program budget included \$528,400 for a waterline replacement project labeled "Fairway Park – 43rd Way, Cul, Circle, Loop," the second phase of waterline improvements for this area. Currently, four phases are in the five-year CIP. This project consisted of replacing approximately 4,550 linear feet of aging and deteriorating six-inch AC waterline with an eight-inch PVC water main, installing new water services and new fire hydrants, and replacing any asphalt removed during construction. The proposed improvements were located along North 43rd Drive, North 44th Drive, North 45th Drive, 44th Loop, 44th Circle, 44th Cul-de-sac, and Mogollon Drive.

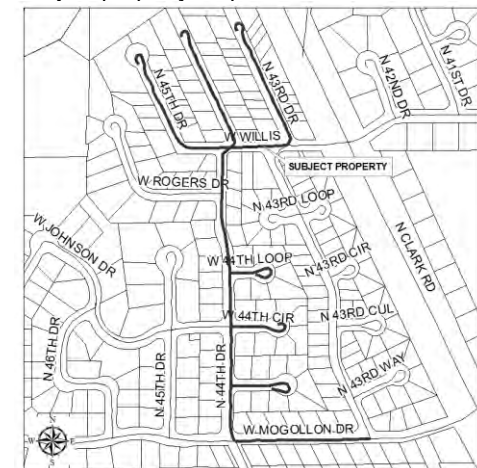
Following a public bidding process, a construction contract was awarded to Apache Underground and Excavating on July 21, 2015 for an amount not to exceed \$499,880.

The construction has been completed and a final walk-through was conducted by City staff on December 11, 2015. The project was completed at a final cost of \$485,401.96.

Staff recommends accepting the construction of the Fairway Park waterline improvements, City of Show Low Project No. W-1614, releasing the retainage in the amount of \$485,401.96, and initiating the two-year warranty period.

Attachments:
None

Subject property map:



FISCAL IMPACT

Anticipated cost: \$485,401.96

Funding source: Fairway Park – 43rd Way, Cul, Circle, Loop (43-760-495-7310-1507)



CITY OF SHOW LOW STAFF SUMMARY REPORT

AGENDA TITLE: Consideration of Reappointment of Board Member to Show Low Municipal Property Corporation (Ed Muder)

RECOMMENDATION

I **MOVE** to reappoint Barry Nicks to the Show Low Municipal Property Corporation Board of Directors to a term ending January 2019.

BACKGROUND

The Municipal Property Corporation (MPC), a nonprofit corporation established in 1992, facilitates financing the cost of acquiring, constructing, and equipping certain facilities for use by and for leasing to the municipality. Per the corporation's bylaws, the City Council appoints three members, all of whom must be Show Low residents, to overlapping three-year terms.

Board member Barry Nicks was appointed in June 2014 to fill an unexpired term, which ends in January 2016. Staff contacted Mr. Nicks, who has agreed to accept a reappointment to the MPC. Staff recommends that Mr. Nicks be reappointed to a three-year term ending January 2019.

Attachments:
None

CITY OF SHOW LOW STAFF SUMMARY REPORT

AGENDA TITLE: Consideration of Memorandum of Understanding for Operation and Maintenance of Show Low Wetlands System (Bill Kopp)

RECOMMENDATION

I **MOVE** to approve the Memorandum of Understanding between the City of Show Low, Arizona Game and Fish Commission, and USDA Forest Service Apache-Sitgreaves National Forests for the operation and maintenance of the Show Low wetlands system.

BACKGROUND

The City of Show Low, Arizona Game and Fish Department, and the U.S. Forest Service have maintained a long-standing cooperative agreement to operate and maintain wetlands at Pintail and Redhead wetlands. These 250 acres of wetlands are the final destination of the treated effluent from Show Low's wastewater treatment plant. The wetlands are regionally and nationally recognized as a model of best management practices for effluent disposal and for cooperative endeavors between federal, state, and local governments.

In 2009, the Forest Service approached the City and requested that the agreements for the wetlands be updated. One of the requested changes was that the MOU (Memorandum of Understanding) be renewed every five years. This Council action will renew the MOU per the earlier agreement. There are no significant changes between the previous version and the attached MOU. The minimum daily effluent volume remains at 600,000 gallons per day. This minimum is much lower than the actual minimum daily volume of treated effluent that is sent to the wetlands.

The MOU continues the cooperative relationship the City has established with Game and Fish and the Forest Service to operate and maintain the wetlands at the Pintail and Redhead wetlands.

Attachments:
Memorandum of Understanding



FS Agreement No. 16-MU-11030121-001
Cooperator Agreement No. _____
Cooperator Agreement No. _____

MEMORANDUM OF UNDERSTANDING
Between The
CITY OF SHOW LOW, ARIZONA
And The
STATE OF ARIZONA
ARIZONA GAME AND FISH COMMISSION
And The
USDA, FOREST SERVICE
APACHE-SITGREAVES NATIONAL FORESTS

This MEMORANDUM OF UNDERSTANDING (MOU) is hereby made and entered into by and between the City of Show Low, Arizona, hereinafter referred to as "The City," and The State of Arizona, Arizona Game and Fish Commission, hereinafter referred to as "The Commission," and the USDA, Forest Service, Apache-Sitgreaves National Forests, hereinafter referred to as the "U.S. Forest Service."

The City, The Commission, and the U.S. Forest Service are collectively referred to as "the Parties."

Background: The City, through their Special Use Permit (SUP), will utilize the Show Low Wetlands (see Figure 1) for disposal of a minimum of 600,000 gallons per day of treated effluent and up to the treated effluent available as long as it does not exceed the capacity of the wetlands. This cooperation serves the mutual interests of all parties and the public.

This MOU once executed supersedes Agreement No. 10-MU-11030121-031 executed on December 29, 2010.

Title: Show Low Wetlands Cooperation

- I. PURPOSE:** The purpose of this MOU is to document the cooperation between the parties to cooperate in the management of the Show Low Wetlands system by utilizing wastewater treatment plant effluent from the City's wastewater treatment plant and maintaining the ecosystem at the wetlands in accordance with the following provisions.

II. STATEMENT OF MUTUAL BENEFIT AND INTERESTS:

WHEREAS, the City provides sanitary services for the residents of Show Low and promotes reuse of the treated effluent for the benefit of the Show Low Wetlands, a local source of pride;



WHEREAS, the Commission has primary statewide responsibility for management actions related to fish and wildlife within the State of Arizona;

WHEREAS, the Arizona Game and Fish Department acts under the authority of the Commission;

WHEREAS, the U. S. Forest Service is responsible for the National Forest systems lands;

WHEREAS, accordingly the U. S. Forest Service has primary responsibility for management actions relating to fish and wildlife habitats within national forests consistent with their purposes;

In consideration of the above remises, the parties agree as follows:

- 1) Work cooperatively for the common purpose of developing and maintaining wildlife resources for the best interest of the citizens of Arizona and the United States.
- 2) Maintain waterfowl habitat at the Show Low Wetlands for nesting, feeding and resting habitat for waterfowl and other native wildlife.
- 3) Meet annually to develop operating instructions for the Show Low Wetlands as detailed in the SUP.

In consideration of the above premises, the parties agree as follows:

III. THE CITY SHALL:

- A. Continue to operate and maintain the inner pond water control structures, treated transmission pipes, dikes and basins.
- B. Cooperate with The Commission to maintain dikes, islands, access and interior roads, fences, parking area and signage.
- C. Ensure a minimum discharge of 600,000 gallons of treated effluent per day, in accordance with all terms and conditions of state and federal permits issued to the City of Show Low for the Operation of its wastewater treatment system.

IV. THE ARIZONA GAME AND FISH DEPARTMENT, ADMINISTRATIVE AGENT FOR THE COMMISSION SHALL:

- A. Assist The City in the maintenance of the dikes, islands, inner pond water control structures, parking area, fence, access and interior roads, and signage.
- B. Cooperate with The City and the U. S. Forest Service to maintain and maximize, where possible, waterfowl habitat with any available water from the wastewater treatment system.



- C. Consult with the U. S. Forest Service and The City concerning the management of the Show Low Wetland improvements as it affects waterfowl or their habitats.
- D. Not perform any work outside the scope of any permit issued to The City without prior consultation with the U. S. Forest Service and The City.

V. THE U.S. FOREST SERVICE SHALL:

- A. Ensure that The City and The Commission maintain the wetlands for optimum waterfowl habitat. This will be accomplished through the annual operation plan, which is made part of the special use authorization.
- B. Under The City's SUP, allow The City to discharge a minimum of 600,000 gallons per day of wastewater effluent up to the total amount of effluent available as long as it does not exceed the capacity of the wetlands.
- C. Consult with The City and The Commission concerning the management of the Show Low Wetland improvements as it affects the habitats of waterfowl or other native wildlife.

VI. IT IS MUTUALLY UNDERSTOOD AND AGREED BY AND BETWEEN THE PARTIES THAT:

- A. TERMINATION FOR CONFLICT OF INTEREST. This Agreement is subject to termination pursuant to A.R.S. § 38-511, and applicable Federal statutes 18 USC § 202-209 and Standards of Ethical Conduct codified 5 CFR section 2635 for federal employees of the executive branch.
- B. PRINCIPAL CONTACTS. Individuals listed below are authorized to act in their respective areas for matters related to this agreement.

Principal City Contacts:

Cooperator Program Contact	Cooperator Administrative Contact
Ken Wilcock, Environmental Manager City of Show Low 1281 E Thornton Road Show Low, AZ 85901-3801 Telephone: 928-532-4096 FAX: 928-532-4109 Email: kwilcock@showlowaz.gov	Ed Muder, City Manager City of Show Low 180 N 9 th Street Show Low, AZ 85901-4701 Telephone: 928-532-4015 FAX: 928-532-4009 Email: emuder@showlowaz.gov

**Principal Commission Contacts:**

Cooperator Program Contact	Cooperator Administrative Contact
Chris Bagnoli, Regional Supervisor Region 1 Arizona Game & Fish Department 2878 E. White Mountain Blvd. Pinetop, AZ 85935-7330 Telephone: 928-367-4281 FAX: 928-367-1258 Email: cbagnoli@azgfd.gov	Ric Bradford, Land Resources Program Manager Habitat Branch Arizona Game & Fish Department 5000 W. Carefree Highway Phoenix, AZ 85087-5000 Telephone: 623-236-7603 FAX: 623-236-7366 Email: rbradford@azgfd.gov

Principal U.S. Forest Service Contacts:

U.S. Forest Service Program Manager Contact	U.S. Forest Service Administrative Contact
Edward Collins, District Ranger Apache-Sitgreaves National Forests Lakeside Ranger District 2022 W. White Mountain Blvd. Lakeside, AZ 85929-6268 Telephone: 928-368-2100 FAX: 928-368-3476 Email: ecollins01@fs.fed.us	Nancy Lewis Grants Management Specialist Prescott National Forest 2971 Willow Creek Rd, Bldg #4 Prescott, AZ 86301-4142 Telephone: 928-443-8245 FAX: 928-443-8208 Email: nlewis@fs.fed.us

- C. **NOTICES.** Any communications affecting the operations covered by this agreement given by the U.S. Forest Service or City of Show Low, or Arizona Game and Fish Commission is sufficient only if in writing and delivered in person, mailed, or transmitted electronically by e-mail or fax, as follows:

To the U.S. Forest Service Program Manager, at the address specified in the MOU.

To The City or The Commission, at The City or The Commission's address shown in the MOU or such other address designated within the MOU.

Notices are effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

- D. **PARTICIPATION IN SIMILAR ACTIVITIES.** This MOU in no way restricts the U.S. Forest Service or The City or The Commission from participating in similar activities with other public or private agencies, organizations, and individuals.



- E. ENDORSEMENT. Any of The City or The Commission's contributions made under this MOU do not by direct reference or implication convey U.S. Forest Service endorsement of The City or The Commission's products or activities.
- F. NONBINDING AGREEMENT. This MOU creates no right, benefit, or trust responsibility, substantive or procedural, enforceable by law or equity. The parties shall manage their respective resources and activities in a separate, coordinated and mutually beneficial manner to meet the purpose(s) of this MOU. Nothing in this MOU authorizes any of the parties to obligate or transfer anything of value.

Specific, prospective projects or activities that involve the transfer of funds, services, property, and/or anything of value to a party requires the execution of separate agreements and are contingent upon numerous factors, including, as applicable, but not limited to: agency availability of appropriated funds and other resources; cooperator availability of funds and other resources; agency and cooperator administrative and legal requirements (including agency authorization by statute); etc. This MOU neither provides, nor meets these criteria. If the parties elect to enter into an obligation agreement that involves the transfer of funds, services, property, and/or anything of value to a party, then the applicable criteria must be met. Additionally, under a prospective agreement, each party operates under its own laws, regulations, and/or policies, and any Forest Service obligation is subject to the availability of appropriated funds and other resources. The negotiation, execution, and administration of these prospective agreements must comply with all applicable law

Nothing in this MOU is intended to alter, limit, or expand the agencies' statutory and regulatory authority.

- G. USE OF U.S. FOREST SERVICE INSIGNIA. In order for The City or The Commission to use the U.S. Forest Service insignia on any published media, such as a Web page, printed publication, or audiovisual production, permission must be granted from the U.S. Forest Service's Office of Communications. A written request must be submitted and approval granted in writing by the Office of Communications (Washington Office) prior to use of the insignia.
- H. MEMBERS OF U.S. CONGRESS. Pursuant to 41 U.S.C. 22, no U.S. member of, or U.S. delegate to, Congress shall be admitted to any share or part of this agreement, or benefits that may arise therefrom, either directly or indirectly.
- I. FREEDOM OF INFORMATION ACT (FOIA). Public access to MOU or agreement records must not be limited, except when such records must be kept confidential and would have been exempted from disclosure pursuant to Freedom of Information regulations (5 U.S.C. 552).



J. TEXT MESSAGING WHILE DRIVING. In accordance with Executive Order (EO) 13513, "Federal Leadership on Reducing Text Messaging While Driving," any and all text messaging by Federal employees is banned: a) while driving a Government owned vehicle (GOV) or driving a privately owned vehicle (POV) while on official Government business; or b) using any electronic equipment supplied by the Government when driving any vehicle at any time. All cooperators, their employees, volunteers, and contractors are encouraged to adopt and enforce policies that ban text messaging when driving company owned, leased or rented vehicles, POVs or GOVs when driving while on official Government business or when performing any work for or on behalf of the Government.

K. PUBLIC NOTICES. It is the U.S. Forest Service's policy to inform the public as fully as possible of its programs and activities. The City and The Commission are encouraged to give public notice of the receipt of this agreement and, from time to time, to announce progress and accomplishments. Press releases or other public notices should include a statement substantially as follows:

"The Apache-Sitgreaves National Forests of the U.S. Forest Service,
Department of Agriculture, Wildlife Program and Land Use Program...."

The City and The Commission may call on the U.S. Forest Service's Office of Communication for advice regarding public notices. The City and The Commission are requested to provide copies of notices or announcements to the U.S. Forest Service Program Manager and to the U.S. Forest Service's Office of Communications as far in advance of release as possible.

L. U.S. FOREST SERVICE ACKNOWLEDGED IN PUBLICATIONS, AUDIOVISUALS AND ELECTRONIC MEDIA. The City and The Commission shall acknowledge U.S. Forest Service support in any publications, audiovisuals, and electronic media developed as a result of this MOU.

M. NONDISCRIMINATION STATEMENT – PRINTED, ELECTRONIC, OR AUDIOVISUAL MATERIAL. The City and The Commission shall include the following statement, in full, in any printed, audiovisual material, or electronic media for public distribution developed or printed with any Federal funding.

In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs.)



To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

If the material is too small to permit the full statement to be included, the material must, at minimum, include the following statement, in print size no smaller than the text:

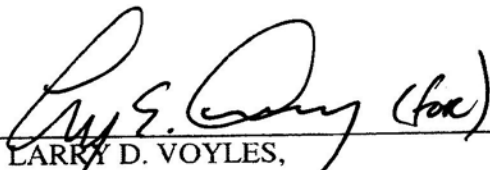
"This institution is an equal opportunity provider."

- N. **TERMINATION.** Any of the parties, in writing, may terminate this MOU in whole, or in part, at any time before the date of expiration.
- O. **DEBARMENT AND SUSPENSION.** The City and The Commission shall immediately inform the U.S. Forest Service if they or any of their principals are presently excluded, debarred, or suspended from entering into covered transactions with the federal government according to the terms of 2 CFR Part 180. Additionally, should The City or The Commission or any of their principals receive a transmittal letter or other official Federal notice of debarment or suspension, then they shall notify the U.S. Forest Service without undue delay. This applies whether the exclusion, debarment, or suspension is voluntary or involuntary.
- P. **MODIFICATIONS.** Modifications within the scope of this MOU must be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized, signatory officials, prior to any changes being performed. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change.
- Q. **COMMENCEMENT/EXPIRATION DATE.** This MOU is executed as of the date of the last signature and is effective through 5 years from the date of last signature at which time it will expire.
- R. **AUTHORIZED REPRESENTATIVES.** By signature below, each party certifies that the individuals listed in this document as representatives of the individual parties are authorized to act in their respective areas for matters related to this MOU. In witness whereof, the parties hereto have executed this MOU as of the last date written below.



DARYL SEYMORE, Mayor
City of Show Low

Date


LARRY D. VOYLES,

Secretary to the Commission and Director,
Arizona Game and Fish Department

12/15/15

Date

SCOTT RUSSELL, Acting Forest Supervisor
U.S. Forest Service, Apache-Sitgreaves
National Forest

Date

The authority and format of this agreement have been reviewed and approved for signature.

NANCY G. LEWIS
U.S. Forest Service Grants Management Specialist

Date

Burden Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0217. The time required to complete this information collection is estimated to average 3 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call toll free (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice). USDA is an equal opportunity provider and employer.

CITY OF SHOW LOW STAFF SUMMARY REPORT

AGENDA TITLE: Consideration of Approval of Commercial Hangar Sublease Agreement Between O & O Investment, LLC and Boutique Air, Inc. at Show Low Regional Airport and Approval of Fourth Addendum to Commercial Ground Lease and Operating Agreement (Glen Boyd)

RECOMMENDATION

I **MOVE** to approve the short-term sublease agreement between O & O Investment, LLC and Boutique Air, Inc. for a commercial aircraft hangar located at 3201 Airport Loop Road for the purpose of storing Boutique Air's aircraft and other items related to airline operations at the Show Low Regional Airport and, further, **MOVE** to approve the Fourth Addendum to Commercial Ground Lease and Operating Agreement.

BACKGROUND

O & O Investment purchased the hangar leasehold improvement and transfer of the ground lease was done in the Third Addendum to the original ground lease on December 15, 2009. O & O Investment wishes to sublease the hangar to Boutique Air at \$1,000 per month on a month-to-month basis. This is a commercial hangar and Boutique Air has a current commercial operating agreement with the City.

According to City records, this hangar was originally constructed by Robert and Evan Moseley of Rim Aviation, doing business as Life Rescue Air Ambulance, which they operated out of the hangar. The original ground lease is dated June 1, 1999. Through subsequent lease amendments and chain of ownership, the leasehold improvement and ground lease was last acquired by O & O Investment in the Third Addendum to the original lease.

Now, in order to better accommodate the needs of Boutique Air (the airline currently serving Show Low's air travel needs), O & O and Boutique have agreed to a short-term sublease of the hangar for the purpose of storing Boutique Air's aircraft and other items needed to maintain airline operations in Show Low.

Staff recommends authorizing O & O Investment the right to sublease the hangar located at 3201 Airport Loop Road to Boutique Air. Staff also recommends approving the Fourth Addendum which approves the additional use of the hangar for aircraft storage by Boutique Air.

Attachments:

Fourth Addendum to Commercial Ground Lease and Operating Agreement

When Recorded Please Return To:
City Clerk
City of Show Low
180 North 9th Street
Show Low, Arizona 85901

**FOURTH ADDENDUM TO
COMMERCIAL GROUND LEASE
AND
OPERATING AGREEMENT**

Show Low Regional Airport

THIS ADDENDUM IS MADE ON THE 5th DAY OF January, 2016 between the City of Show Low, an Arizona Municipal Corporation of the State of Arizona ("LESSOR"); O & O Investment, LLC, a foreign limited liability company registered in Arizona ("ASSIGNEE/LESSEE"); and, Boutique Air, Inc., a California Corporation ("SUBLESSEE").

WHEREAS, Rim Aviation, Inc., as the Original Lessee, entered into a Ground Lease and Operating Agreement with the City of Show Low on June 1, 1999, hereinafter referred to as the "Original Agreement" for an aircraft hangar located at 3201 Airport Loop Road; and

WHEREAS, Medical Express International, Inc., as the Second Lessee, entered into an Addendum to Ground Lease and Operating Agreement with the City of Show Low and Rim Aviation, Inc. on April 3, 2001, whereby the Original Agreement was assigned to Medical Express International, Inc.; and a subsequent agreement with the City of Show Low on July 10, 2001 whereby the leasehold premises was reduced from 32,500 square feet to 12,125 square feet, collectively hereinafter referred to as the "First Addendum"; and

WHEREAS, Conquest Aviation, L.L.C. entered into a Second Addendum to the Ground Lease and Operating Agreement with the City of Show Low and Medical Express International, Inc. on May 19, 2009, whereby the Original Agreement was assigned to Conquest Aviation, L.L.C. ("Second Addendum"); and

WHEREAS, Conquest Aviation, L.L.C. entered into a Third Addendum to the Ground Lease and Operating Agreement with the City of Show Low on December 15, 2009, whereby the Original Agreement, First Addendum and Second Addendum was assigned to O & O Investment, LLC ("Third Addendum"); and

WHEREAS, O & O Investment, LLC now desires to sublease the hangar to Boutique Air, Inc. for the purposes of aircraft storage and other storage as well as airframe and power plant repairs("Sublessee"); and

WHEREAS, Boutique Air, Inc. hereby agrees to the sublease with O & O Investment, LLC., based upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

1. Rights and Obligations of LESSEE.

Section 4(A) of the Original Agreement is hereby amended as follows:

- A. Authorized Services. LESSEE is hereby granted the non-exclusive privilege to engage in the business of an aviation service operation subject to all the terms and conditions of this agreement. LESSEE is prohibited from conducting other commercial aviation service operations not specifically provided for herein without the prior written approval of the LESSOR. The authorized commercial aviation services are as follows:
1. Airframe and Powerplant Repair.
 2. LESSEE or any Sublessee shall provide the CITY with a copy of the AirFrame and Powerplant Maintenance License and Inspection Authorization License and any other FAA-licensed mechanic(s) employed by LESSEE or any Sublessee at the Airport.
 3. SUBLESSEE may store aircraft and equipment related to their business needs in the hangar.

All other provisions of Section 4 shall remain as written in the Original Agreement.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed under their respective seals on the day and year written first above.

CITY OF SHOW LOW (LESSOR)

ATTEST:

Daryl Seymore, Mayor

Ann Kurasaki, City Clerk

APPROVED AS TO FORM:

Morgan Brown, City Attorney

**O & O INVESTMENT, LLC.
(ASSIGNEE/LESSEE)**

Jeff Obering, Manager

STATE OF _____)
County of _____)ss

The foregoing instrument was acknowledged before me this _____ day of _____, 20____
by Jeff Obering, manager of O & O Investment, LLC, known to me to be the person whose name is
subscribed to the foregoing instrument.

Notary Public

My Commission Expires:

**BOUTIQUE AIR, INC.
(SUBLESSEE)**

Truett Davis, Senior Project Manager

STATE OF _____)
County of _____)ss

The foregoing instrument was acknowledged before me this _____ day of _____, 20____
by Truett Davis, Senior Project Manager of Boutique Air, Inc., known to me to be the person whose
name is subscribed to the foregoing instrument.

Notary Public

My Commission Expires:

MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, DECEMBER 1, 2015 AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS, 181 NORTH 9TH STREET, SHOW LOW, NAVAJO COUNTY, ARIZONA

1. Call to Order.

Mayor Seymore called the meeting to order at 7:00 p.m.

2. Roll Call.

COUNCIL MEMBERS PRESENT: Mayor Seymore, Councilman Allsop, Councilman Crittenden, Councilman Hatch, Councilwoman Kakavas, and Councilman Kelley.

COUNCIL MEMBERS ABSENT: Vice Mayor Leech.

STAFF MEMBERS PRESENT: Ed Muder, City Manager; F. Morgan Brown, City Attorney; Bill Kopp, Public Works Director; Joe Shelley, Police Chief; Justin Johnson, Administrative Services Director; Cari Bilbie, Senior Account Clerk; Jay Brimhall, Community Services Director; and Tamra Reidhead, Deputy City Clerk.

GUESTS: William Thomas, Ron Wheeler, Clair Thomas, Bob Martinson, Randy Chevalier, and others.

3. Invocation.

Councilman Hatch gave the invocation.

4. Pledge of Allegiance.

Councilwoman Kakavas led the Council and audience in the pledge of allegiance.

5. **CALL TO THE PUBLIC:**

Any citizen desiring to speak on a matter that IS NOT scheduled on this agenda may do so at this time. Comments may be limited to three minutes per person and shall be addressed to the City Council as a whole, and not to any individual member. Issues raised shall be limited to those within the jurisdiction of the City Council. Pursuant to the Arizona Open Meeting Law, the City Council cannot discuss or act on items presented at this time. At the conclusion of the call to the public, individual City Council members may (1) respond to criticism made by those who have spoken, (2) ask staff to review a matter, and (3) ask that a matter be put on a future agenda.

None.

6. **SPECIAL EVENTS:**

A. Presentation of Annual Report by Show Low Historical Society.

Clair Thomas, Show Low Historical Society Museum Executive Director, said this was the Historical Society's 20th year and thanked founders Jackie Solomon, Jo Ann Hatch, Joe Woolford, Louis Rawlings, and Dr. Albert Armstrong. She thanked the hundreds of volunteers, and past and present board members for the countless hours they had given.

Ms. Thomas said the museum had 4,678 visitors so far this year from all over the world, of which 438 were children who came to participate in the museum's children's programs. The museum received many compliments from visitors who said it was the best small-town museum they had ever visited.

Ms. Thomas said the museum provided a spring and autumn heritage day for area third graders and summer camp programs for children. They also presented an annual evening of history about Adair, the town buried under Fools Hollow Lake. The Silver Creek Railroaders had an ongoing train exhibit, and the Senior Patrol provided child identification and fingerprint services on Saturdays.

Ms. Thomas said 40 years ago Muhammad Ali trained in Show Low for six weeks, and the museum was creating a temporary exhibit about him. If anyone had any memorabilia from Mr. Ali's visit to Show Low that they wished to loan or donate to the museum, they would be happy to use it. The exhibit would be for the 2016 season only.

Ms. Thomas thanked the City for renewing the lease agreement for another five years and expressed her gratitude to the museum members, volunteers, and daily visitors. The museum would close on December 19 for the winter season and reopen on March 2, 2016.

Councilwoman Kakavas said she appreciated Ms. Thomas and others for their dedication and keeping the museum operating. It was a landmark for Show Low and provided much history and education to the community.

7. **CONSENT CALENDAR:**

- A. Consideration of Approval of Proposed Fiscal Year 2017 Budget Calendar. (Justin Johnson)
- B. Consideration of Minutes of Show Low City Council meetings:

- (1) Regular Meeting of November 17, 2015.
- (2) Joint Meeting of November 19, 2015.

COUNCILMAN CRITTENDEN MOVED TO APPROVE THE CONSENT CALENDAR AS PRESENTED; SECONDED BY COUNCILMAN HATCH; PASSED UNANIMOUSLY.

8. **NEW BUSINESS:**

- A. Consideration of Resolution No. R2015-28 Approving Intergovernmental Agreement with Timber Mesa Fire and Medical District. (Morgan Brown)

Mr. Brown said over several years the City had entered into six Intergovernmental Agreements (IGA) with the Show Low Fire District regarding fire code administration, 4th of July fireworks, joint aircraft rescue and firefighting at the Show Low Regional Airport, and fire protection, paramedic rescue, and ambulance services within the City.

Mr. Brown said on September 19, 2014, the Show Low Fire District approved a merger with the Lakeside Fire District and the Linden Fire District to become the Timber Mesa Fire and Medical District.

Mr. Brown said the IGA being presented tonight combined all six of the aforementioned IGAs into one IGA to make it easier for each entity to perform its obligations and to cooperate in exercising powers jointly for the benefit of the citizens and taxpayers in the District and City. This IGA would supersede all of the aforementioned IGAs and set forth the obligations of the District and City for the following services:

1. Airport fire operations to meet FAA Part 139 requirements for the operation of the commercial airline operations
2. Fire code administration and enforcement
3. General fire protection services in the City, including providing services for the 4th of July and New Year's Eve celebrations, and declaring the fire district the fire service provider for the City so that future annexations of the City that are not in a fire district area may be annexed into the fire district
4. Plan review and enforcement
5. Clarifying responsibility for the issuance of building permits

Mr. Brown said staff recommended approving the IGA with the Timber Mesa Fire and Medical District.

COUNCILMAN CRITTENDEN MOVED TO ADOPT RESOLUTION NO. R2015-28 APPROVING AN INTERGOVERNMENTAL AGREEMENT

WITH THE TIMBER MESA FIRE AND MEDICAL DISTRICT; SECONDED BY COUNCILMAN HATCH; PASSED UNANIMOUSLY.

- B. Consideration of Resolution No. R2015-29 Designating Timber Mesa Fire and Medical District as Fire Service Agency for the City of Show Low. (Morgan Brown)

Mr. Brown said the City was currently serviced by the Timber Mesa Fire and Medical District in conjunction with its fire service needs. Pursuant to A.R.S. § 48-262(M), the City was permitted to designate a service agency for purposes of providing emergency fire services within its jurisdictional boundaries. By designating Timber Mesa Fire as the emergency fire service provider for the City, it allowed the fire district to annex into its fire district any property that was also annexed into the City, thereby making it easier for residents to know which fire provider serviced the City.

Councilman Allsop asked about the Certificate of Necessity (CON) for the Timber Mesa District. Randy Chevalier, Timber Mesa Deputy Chief, said Timber Mesa currently had a CON that covered the Lakeside portion of the fire district but didn't cover the City of Show Low or Linden, which were actually in the Timber Mesa district. Timber Mesa applied for the CON through the Arizona Department of Health Services, but it would be a lengthy process. They were working with Jim Brooke of Arrowhead, who disagreed with Timber Mesa applying for the CON. However, the CON would be overlapping and would not push Arrowhead out, but it would allow Timber Mesa's firefighters to cover its own fire district.

Mr. Brown said Resolution No. R2015-29 would simply designate Timber Mesa as the fire service agency for the City, not the medical service agency.

Councilman Crittenden asked for an explanation of a "CON." Mr. Chevalier said it was a Certificate of Necessity, which would allow Timber Mesa to respond to residents' homes, to treat and transfer them to the hospital, and also to allow for a billing mechanism.

COUNCILMAN ALLSOP MOVED TO ADOPT RESOLUTION NO. R2015-29 DESIGNATING THE TIMBER MESA FIRE AND MEDICAL DISTRICT AS THE FIRE SERVICE AGENCY FOR THE CITY OF SHOW LOW; SECONDED BY COUNCILWOMAN KAKAVAS; PASSED UNANIMOUSLY.

- C. Consideration of Resolution No. R2015-30 Establishing a Policy for Use of Social Media by City Departments, Employees, and Appointed and Elected Officials. (Morgan Brown)

Mr. Brown said staff was looking to establish a social media policy within the City. Social media was an increasing feature of everyday life and was considered an essential way for local governments to effectively communicate with those of the younger generations. It could be a challenge but it was also a great opportunity to effectively communicate with residents. The City had used social media to a limited extent in the past to provide notice of upcoming events and activities in the City. City staff saw this trend growing in the years to come.

Mr. Brown said the City had been encouraged by the Arizona League of Cities and Towns and the Arizona State Library, Archives and Public Records to adopt a social media policy to provide clear direction to City staff and appointed and elected officials on how it should be used, to provide a clear policy to the public on the misuse of the City's social media, and to capture social media as a public record. Social media records generated by public bodies were considered to be public records and must be treated as such in accordance with the Arizona State Library, Archives and Public Records.

Mr. Brown said members from each department of the City met as a group to discuss the social media policy and to provide comments and input. City staff also researched software that would capture social media posts as a public record and preserve them. Once this policy was adopted the City would purchase the software to capture these public records. The cost would be covered within the current budget.

Mr. Brown said the proposed social media policy outlined to all departments, employees, and appointed and elected officials the protocol and procedures for using social media to provide public outreach and to communicate official City services and events. In addition, the policy addressed the responsibilities of individual employees and City officials regarding social media, the use of City resources (time/equipment), and the responsibilities related to public records and open meeting laws. City staff recommended approving the attached resolution adopting the policy as the official social media policy of the City.

Mr. Brown said the policy provided for a department to oversee social media, which would be the city clerk's office. If an employee wanted to establish a Facebook page, he or she would be required to register that page with the city clerk and provide the associated passwords.

Mr. Brown said staff might come back with changes to the policy in the future as conditions changed. He said the City would only use social media sites that could be captured and saved as a public record.

Councilman Crittenden asked if social media included personal emails or texting on private phones. Mr. Brown said no.

COUNCILMAN ALLSOP MOVED TO ADOPT RESOLUTION NO. R2015-30 ESTABLISHING A POLICY FOR THE USE OF SOCIAL MEDIA BY CITY DEPARTMENTS, EMPLOYEES, AND APPOINTED AND ELECTED OFFICIALS; SECONDED BY COUNCILMAN HATCH; PASSED UNANIMOUSLY.

- D. Consideration of Approval of List for Job Order Qualified Contractors for Water Wells. (Bill Kopp)

Mr. Kopp said the City of Show Low's water production system included 14 wells. The depth of these wells ranged from approximately 550 to 800 feet. The size of the wells ranged from four to ten inches in diameter and production ranged from 120 to 700 gallons per minute. The system included submersible and line-shaft vertical turbine pumps. The average water use in the system was about 900,000 gallons per day.

Mr. Kopp said the wells required regular maintenance and replacement. The abrasive effect of the native Coconino sands in the aquifer wore pumps at a fast rate. Most pumps in the system were replaced every two to three years. The City's water system was operated as an enterprise fund, with a total maintenance budget of approximately \$375,000 per year.

Mr. Kopp said the City of Show Low conducted a competitive process to retain up to three contractors for a job order contract (JOC) to provide labor, furnish and install materials relating to repairing and maintaining water wells, and repair existing water facilities at various locations. JOCs would streamline procuring well repair and replacement services in days instead of weeks. Time was especially critical during high-water usage during the spring months. Each individual project would be bid competitively among the three approved firms.

Mr. Kopp said individual job orders should not exceed \$125,000 and a majority of the well projects should not exceed \$50,000. The estimated annual budget for well maintenance was about \$250,000. The term of these contracts would be three years with two one-year renewal options. Services would be requested on an as-needed, if-needed basis, and the resultant contract was not a commitment by the City that the contractor's services would be required.

Mr. Kopp said in November 2015, City staff solicited statements of qualification for well service firms to provide job order contracting services.

The solicitation process followed Arizona Revised Statutes Title 34 wherein prospective companies submitted Statements of Qualifications, which were reviewed and ranked by a selection committee of City staff and a licensed contractor. A total of four Statements of Qualifications were received and graded, resulting in the following list of three qualified firms:

Copperstate Drilling and Supply, Inc.
Willis Drilling and Pump
Beeman Drilling

Mr. Kopp said staff recommended approving the list of qualified contractors for water wells and to enter into job order contracts with the listed firms.

Councilman Allsop asked if the three firms were from the Show Low area. Mr. Kopp said yes.

Councilman Hatch asked when the JOC process would be opened again for solicitation. Mr. Kopp said the JOC was for three years with two one-year options to renew.

Mayor Seymore asked whether the City would continue with two contractors if one of the three went out of business. Mr. Brown said most likely, the City would continue with two contractors until the three-year contract had expired. The City could terminate most agreements at its convenience, so if the list shrunk to just one contractor, then the City would probably terminate it.

COUNCILMAN HATCH MOVED TO APPROVE THE LIST OF QUALIFIED CONTRACTORS FOR WATER WELLS AND TO ENTER INTO JOB ORDER CONTRACTS WITH THE LISTED FIRMS; SECONDED BY COUNCILWOMAN KAKAVAS; PASSED UNANIMOUSLY.

- E. Consideration of Approval of Five-Year Capital Improvements Program for Fiscal Years 2017 to 2021. (Bill Kopp)

Mr. Kopp said the City of Show Low was required by City Code to have an approved five-year capital improvements program (CIP). The CIP was a planning tool to look five years ahead in order to plan and prioritize the City's needs. The program was administered by an advisory committee that consists of City staff, representatives from the Planning and Zoning Commission and City Council, and a citizen representative. Prior to the advisory committee meeting, a public notice was posted for recommendations for capital project requests. Four requests were

received, two for the same project. Every requestor that provided contact information received a written response from staff.

Mr. Kopp said the first year of the CIP included any projects that were not funded in the fiscal year 2016 CIP. The 2017 projects were the committee's top priorities. However, it was understood that all of the projects could not be funded. The budget process would be the final determinant of which projects received funding.

Mr. Kopp said only projects over \$50,000 were included in the CIP. Smaller projects would be accounted for in each department's operations budget. Each project listed in the CIP had a detailed "Capital Outlay Project Sheet," which identified the project, its cost, potential funding sources, and a timetable.

Mr. Kopp said the advisory committee met on October 22 and again on November 5, at which time the CIP was approved by the committee. Staff recommended that the Council approve the five-year capital improvements program for fiscal years 2017 to 2021.

Councilman Hatch said he served on the advisory committee, and he appreciated staff's efforts putting together a comprehensive response to the questions that arose.

COUNCILMAN HATCH MOVED TO APPROVE THE FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM FOR FISCAL YEARS 2017 TO 2021 FOR THE CITY OF SHOW LOW; SECONDED BY COUNCILMAN CRITTENDEN; PASSED UNANIMOUSLY.

F. Consideration of Award of Design-Build Services Contract for New Public Safety Building. (Bill Kopp)

Mr. Kopp said in May 2014, the City Council approved purchasing approximately two acres of property at 411 East Deuce of Clubs, which included an existing building of approximately 17,000 square feet. The Council's intention was to remodel the site for a new public safety complex that would provide an enhanced presence along Show Low's main street, increased parking and accessibility (especially during inclement weather), and room to allow for future growth to meet citizens' needs. The City was able to pay for the property with cash saved over many years.

Mr. Kopp said the City's public safety operations would be relocated to this building following the planned renovation. These improvements included, but were not limited to, constructing office and public spaces, a communication/dispatch center, holding facilities, accessibility

improvements including installing exterior and interior finishes, weatherproofing, and site and landscaping improvements.

Mr. Kopp said the design-build process used a single contracted entity to perform both design and construction services. This delivery method provided tight budget controls. Cost estimates would be continuously updated as the design evolved. The first step in the process was approving the pre-construction phase of the project. This phase would include all of the design and cost modeling services, and the final product would be construction documents and a Guaranteed Maximum Price. Since the designers and constructors were the same team, the designers would be involved in the day-to-day construction phase of the project. This involvement would allow the project team to respond to questions or problems immediately.

Mr. Kopp said in October 2015, City staff solicited Statements of Qualification (SOQs) from design-build firms to design and construct the necessary renovations to the building. The process followed Arizona Revised Statutes Title 34 wherein prospective companies submitted SOQs, which were reviewed and ranked by a selection committee of City staff, a City Council representative, and a licensed contractor. After the SOQs were graded, the selection committee held in-person interviews with five short-listed firms and selected Low Mountain Construction as the most qualified firm.

Mr. Kopp said Low Mountain Construction would provide pre-construction services for the public safety headquarters renovations, which included programming, schematic design, design development, cost estimating, value engineering, and preparing construction plans and specifications.

Mr. Kopp said staff recommended awarding the pre-construction design-build services contract for a new public safety building to Low Mountain Construction for \$319,760 and a maximum of \$13,060 for allowable reimbursables, for a total amount not to exceed \$332,820.

COUNCILMAN CRITTENDEN MOVED TO AWARD THE PRE-CONSTRUCTION DESIGN-BUILD SERVICES CONTRACT FOR A NEW PUBLIC SAFETY BUILDING TO LOW MOUNTAIN CONSTRUCTION FOR \$319,760 AND A MAXIMUM OF \$13,060 FOR ALLOWABLE REIMBURSABLES, FOR A TOTAL AMOUNT NOT TO EXCEED \$332,820; SECONDED BY COUNCILMAN ALLSOP; PASSED UNANIMOUSLY.

- G. Consideration of Resolution No. R2015-31 Approving Intergovernmental Agreement with Other Jurisdictions for Regional Dispatch. (Joe Shelley/Ed

Muder/Morgan Brown)

Chief Shelley said regional dispatch was a unified public safety communication system designed to improve services to citizens and visitors in the region. Local jurisdictions, including Summit Healthcare, had been discussing the regional dispatch concept since 2010 when Summit Healthcare was named a Level IV trauma center. Summit Healthcare physicians realized that there were some emergency situations that would have benefited from better response times and coordination. Summit Healthcare paid for a feasibility study which showed the concept was feasible and affordable. The parties had worked through many issues with regional dispatch, including a one-site versus a two-site model, software, personnel, and establishing a governing board.

Chief Shelley said the purpose of regional dispatch was to:

1. Better coordinate public safety response from multiple agencies
2. Help ensure the safety of those that respond to emergency situations
3. Improve emergency communication systems by building in fail-safe resources and eliminating the potential for communication failures
4. Upgrade computer-aided dispatch hardware and software with better and more efficient technology
5. Eliminate redundancies that exist from having multiple dispatch systems

Chief Shelley said regional dispatch would be one communication system with two sites, one in Holbrook and the other in Show Low. The costs for entering into an Intergovernmental Agreement would be similar to the City's current budget for dispatching. Attached was a business plan for regional dispatch. Costs for employees, utilities, and equipment were shared, thereby eliminating duplicate services and providing an opportunity to pool resources to fund system upgrades that might not be affordable otherwise. This would provide a cost savings to the City over the next few years. Future subscribers might be added to the system if requested.

Chief Shelley said the governing board would consist of non-elected officials with one representative from each municipality, one representative from the fire district, one representative from Navajo County, and an ex officio (non-voting) member from Summit Healthcare. There would be an operations committee, which would include fire chiefs, police chiefs, county sheriff, and one representative from private EMS (ambulance) companies, to provide advice on center operations. There would also be a technology committee with participation from each local jurisdiction to provide coordination for the technology system used. The governing board would hire a director for the center who would report to the governing board. All other employees would be under the supervision of the director.

Chief Shelley said staffing for the center would be based on a staffing model of approximately 21 employees with all current qualified employees of the jurisdictions being offered a job. All employees would be employees of Navajo County and would be subject to the county's personnel rules and regulations. Dispatching was an area with a high turnover ratio and most jurisdictions were constantly advertising to fill these positions.

Chief Shelley said Navajo County would be the administrative and fiscal agent, but the governing board would manage the organization.

Chief Shelley said after many years of meetings with all the stakeholders, staff felt the concept was cost-effective with potential savings to the City. More importantly, a regional dispatch center would increase coordination between public safety agencies, improve response times, and provide better-qualified dispatchers throughout the region, resulting in superior service to the citizens and ultimately saving lives.

Councilwoman Kakavas asked for clarification about the number of dispatchers that would be displaced. Chief Shelley said there were a total of 28 dispatcher positions throughout the county, but there were several vacant positions. Since approximately 21 to 23 dispatchers were currently employed, no dispatchers would be displaced.

Councilman Allsop said regional dispatch would improve safety in all cities and towns involved. Mayor Seymore agreed that regional dispatch would be beneficial to the area and to those who lived here.

COUNCILMAN HATCH MOVED TO ADOPT RESOLUTION NO. R2015-31 APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH LOCAL JURISDICTIONS FOR REGIONAL DISPATCH AND AUTHORIZE THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY TO EFFECTUATE THE REGIONAL DISPATCH CONCEPT, INCLUDING AUTHORIZING THE MAYOR TO SIGN ANY MINOR AMENDMENTS TO THE INTERGOVERNMENTAL AGREEMENT WHICH OCCUR AFTER COUNCIL APPROVAL; SECONDED BY COUNCILMAN KELLEY; PASSED UNANIMOUSLY.

9. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Councilman Crittenden said the Show Low Chamber of Commerce would hold its monthly breakfast tomorrow at Solterra with a presentation on small business insurance.

Councilman Allsop said he enjoyed the recent joint meeting with the town councils from Pinetop-Lakeside, Snowflake, and Taylor, and representatives of Navajo County. It was very productive to have all entities working together. He said he enjoyed serving Thanksgiving lunch to 165 people at the Senior Center. He wished everyone a Merry Christmas.

Councilwoman Kakavas thanked City employees for their dedication and hard work. She wished everyone a Merry Christmas and Happy New Year.

B. Mayor

Mayor Seymore said the final meeting for the Community Fast was held today to discuss how the funds would be disbursed. Almost \$17,000 was raised and would be distributed to several different organizations and families this holiday season. He wished everyone a Merry Christmas and a prosperous New Year.

C. City Manager

Mr. Muder said the City's annual signature event, Show Low Shines for the Holidays, kicked off the season when the lights along the Deuce of Clubs and at City facilities were turned on last Friday. There was a variety of community events planned to celebrate the holidays, including:

- The Feaste of Carols, a Renaissance musical show performed by the Show Low High School choir on December 3, 4, and 5.
- Santa and the Shoppes on Gingerbread Lane at the city campus gym on Friday and Saturday, December 4 and 5.
- The City's annual Christmas Light Parade and tree-lighting ceremony on December 5.
- The Deuce of Clubs Drop on New Year's Eve at Festival Marketplace.

Mr. Muder said the aquatic center was closed for annual maintenance and would reopen to the public on December 14.

Mr. Muder said after the holidays, Christmas trees could be dropped off from December 26 through January 6 at the Frontier Park parking lot, north of the Deuce of Clubs on 9th Place. The trees would be recycled and taken to Novo Power in Snowflake for use as biomass fuel.

Mr. Muder said this was the last regular Council meeting for 2015. The next meeting would be on January 5, 2016. He wished everyone a Merry Christmas and safe and happy holidays.

10. **SCHEDULING OF MEETINGS:**

Scheduling of meetings, which may be brought up at this time.

Mayor Seymore said staff would be sending the Council members a proposed date for next year's Council retreat.

COUNCILWOMAN KAKAVAS MOVED TO RECESS INTO EXECUTIVE SESSION TO DISCUSS MCLAUGHLIN V. CITY OF SHOW LOW AND PET ALLIES AND THE EXECUTIVE SESSION MINUTES OF NOVEMBER 3, 2015; SECONDED BY COUNCILMAN ALLSOP; PASSED UNANIMOUSLY.

The Show Low City Council recessed into Executive Session at 8:03 p.m.

11. **EXECUTIVE SESSION.**

- A. Confidentiality Statement.
- B. Discussion or consultation with the attorney or attorneys of the public body for legal advice or to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation. Pursuant to A.R.S. Sections 38-431.03(A)(3) and 38-431.03(A)(4).
 - (1) McLaughlin v. City of Show Low and Pet Allies.
- C. Discussion or consideration of records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law. Pursuant to A.R.S. Section 38-431.03(A)(2).
 - (1) Executive Session Minutes of November 3, 2015.

12. **POST EXECUTIVE SESSION.**

Consideration of any item on the Executive Session portion of this agenda, which the Council may wish to take action upon in Open Session.

- A. Consideration of Approval of the Minutes of the Executive Session of the Show Low City Council Held on November 3, 2015.

The Show Low City Council reconvened into Open Session at 8:20 p.m.

MAYOR SEYMORE MOVED TO APPROVE THE EXECUTIVE SESSION MINUTES OF NOVEMBER 3, 2015; SECONDED BY COUNCILMAN ALLSOP; PASSED UNANIMOUSLY.

COUNCILMAN KELLEY MOVED TO APPROVE THE SETTLEMENT WITH LOIS MCLAUGHLIN AS DISCUSSED IN EXECUTIVE SESSION WITH THE CITY PAYING THE INSURANCE DEDUCTIBLE OF \$10,000; SECONDED BY COUNCILMAN HATCH; PASSED UNANIMOUSLY.

13. **ADJOURNMENT.**

There being no further business to be brought before the Council, **MAYOR SEYMORE ADJOURNED THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL OF DECEMBER 1, 2015 AT 8:21 P.M.**

ATTEST:

APPROVED:

Ann Kurasaki, City Clerk

Daryl Seymore, Mayor

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the **REGULAR MEETING** of the City Council of Show Low held on December 1, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 20____.

(SEAL)

Ann Kurasaki, City Clerk

CITY OF SHOW LOW STAFF SUMMARY REPORT

AGENDA TITLE: Consideration of Ordinance No. 2016-01 Amending Section 7-5, *Building Permit Fee Schedule*, of Chapter 7, *Building*, of the Show Low City Code (Justen Tregaskes)

RECOMMENDATION

By unanimous consent, read Ordinance No. 2016-01 by title only since all Council members have a copy.

I **MOVE** to adopt Ordinance No. 2016-01.

BACKGROUND

Staff is recommending revisions to Section 7-5, *Building Permit Fee Schedule*, of Chapter 7, *Building*, of the Show Low City Code in order to match other sections of City Code where fees have been adopted by resolution. These revisions would remove specific fees from Section 7-5 and adopt them through resolution rather than through an ordinance.

As part of this process, staff will be presenting a subsequent resolution (the next agenda item) recommending that the fee for manufactured home inspections be increased from \$200 to \$350 to match the Arizona Office of Manufactured Housing's inspection fees.

Attachments:
Ordinance No. 2016-01

CITY OF SHOW LOW ORDINANCE NO. 2016-01

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY
OF SHOW LOW, ARIZONA, AMENDING ARTICLE 7-5,
BUILDING PERMIT FEE SCHEDULE, OF CHAPTER 7,
BUILDING, OF THE SHOW LOW CITY CODE

RECITAL:

WHEREAS, it is necessary to amend Article 7-5, *Building Permit Fee Schedule*, of Chapter 7, *Building*, of the Show Low City Code related to building permit fees.

ENACTMENTS:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Show Low, Arizona, as follows:

Section 1

Article 7-5, *Building Permit Fee Schedule*, of Chapter 7, *Building*, shall be amended to remove any and all references to specific building permit fees as follows:

ARTICLE 7-5 BUILDING PERMIT FEE SCHEDULE

Sec. 7-5-1. Generally.

~~Building permit fees shall be calculated utilizing the 1997 Uniform Building Code fee schedule adopted by resolution of the city council. Valuation shall be determined by the average cost per square foot as updated and published by the International Conference of Building Officials.~~ **The common council of the City of Show Low may from time to time establish and set by resolution the amount of charges for all building permit fees within the jurisdiction of the City of Show Low.**

Sec. 7-5-2. Revised plans.

~~In the event of substitution or if revised plans are submitted for a site for which a permit has been reviewed, a new plan review fee shall be charged.~~ **The common council of the City of Show Low may from time to time establish and set by resolution the amount of charges for all plan review fees, including substitution or revised plans, within the jurisdiction of the City of Show Low.**

Sec. 7-5-3. Fee refunds.

~~Transfer of permits shall be charged at the rate of twenty-five dollars (\$25.00). Cancellation and refunds on large projects (large projects are considered commercial) shall be charged a minimum of twenty-five (25) percent of the permit fee for any~~

~~cancellation or refund except the minimum of at least five dollars (\$5.00) and an additional fee of fifty dollars (\$50.00) for each inspection performed prior to the cancellation and/or refund.~~ **The common council of the City of Show Low may from time to time establish and set by resolution the amount of charges for all transfer, cancellations, and refunds of permits within the jurisdiction of the City of Show Low.**

Sec. 7-5-4. Special fees.

~~Special permit fees shall be charged as follows: moving, ten dollars (\$10.00); demolition, fifty dollars (\$50.00).~~ **The common council of the City of Show Low may from time to time establish and set by resolution the amount of charges for all special permit fees within the jurisdiction of the City of Show Low.**

Sec. 7-5-5. Location permit fee.

~~Location permit fees shall be charged as follows: mobile homes, manufactured homes, and modular homes, two hundred dollars (\$200.00).~~ **The common council of the City of Show Low may from time to time establish and set by resolution the amount of charges for all location permit fees within the jurisdiction of the City of Show Low.**

Sec. 7-5-6. Independent inspections.

~~Independent inspections shall be charged a minimum of fifty dollars (\$50.00) per inspection.~~ **The common council of the City of Show Low may from time to time establish and set by resolution the amount of charges for all independent inspections within the jurisdiction of the City of Show Low.**

Section 2

If any section, subsection, sentence, clause, phrase or portion of this is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED this 5th day of January, 2016, by the Mayor and Council of the City of Show Low, Arizona.

Daryl Seymore, Mayor

ATTEST:

Ann Kurasaki, City Clerk

APPROVED AS TO FORM:

F. Morgan Brown, City Attorney

CITY OF SHOW LOW STAFF SUMMARY REPORT

AGENDA TITLE: Consideration of Resolution No. R2016-01 Adopting Building Permit Fee Schedule (Justen Tregaskes)

RECOMMENDATION

I **MOVE** to approve Resolution No. R2016-01 adopting a building permit fee schedule.

BACKGROUND

In December 1998, the City Council entered into an Intergovernmental Agreement (IGA) with the Arizona Office of Manufactured Housing (OMH). This IGA has been renewed several times, most recently in April 2014. The purpose of the IGA is to allow the City to issue permits and perform installation inspections of manufactured homes and modular or factory built buildings on behalf of the state. Section 5 of this agreement states, "Permit fees charged by the Agency (the City) shall be the same as the Fee Schedule created by OMH pursuant to authority under A.R.S. 41-2144 (4) and A.A.C. R4-34-501 and no more than permitted by R4-34-801(E). All fees collected by the agency shall be kept by the agency as compensation for services performed by the Agency under this agreement."

As indicated in the attached fee schedule, OMH currently charges \$350 for a manufactured home placement permit, with a maximum of three inspections included in this fee. Additional inspections are \$82 per hour plus mileage at \$0.445 per mile. These numbers do not include any additional City permit fees, such as electrical permits, which are not included under the state permit and which may be required by the municipality.

Show Low currently charges \$200 for a manufactured home placement permit, issued on behalf of OMH, with no maximum number of inspections and no reinspection fee. The City also charges a \$200 permit fee for all items not included in the state placement permit and a \$50 electrical inspection fee for a total permit fee of \$450. This number does not include additional fees such as development and capacity fees. Staff recommends that the City match OMH's \$350 manufactured home placement permit fee with no maximum number of inspections and no reinspection fee, and retain the \$50 electrical inspection fee and the \$200 permit fee for all items not included in the state placement permit for a total permit fee of \$600, excluding additional fees such as development and capacity fees. All other City fees, including development and capacity fees, would remain unchanged.

Attachments:

Resolution No. R2016-01

OMH Fee Schedule

CITY OF SHOW LOW RESOLUTION NO. R2016-01

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SHOW LOW, ARIZONA, ADOPTING BUILDING PERMIT FEE SCHEDULE

RECITALS:

WHEREAS, Show Low City Code Section 3-4-1, authorizes the City Council to establish fees for administrative services provided by the City; and

WHEREAS, the City of Show Low entered into an Intergovernmental Agreement (IGA) with the Arizona Office of Manufactured Housing (OMH) to issue permits and perform inspections of manufactured homes, factory-built buildings, and modular buildings on behalf of OMH; and

WHEREAS, this IGA allows the City of Show Low to charge fees related to the issuance of permits and inspections of manufactured homes, factory-built buildings, and modular buildings; and

WHEREAS, the City of Show Low finds it necessary from time to time to adjust the permit and inspection fees related to permits and inspections of manufactured homes, factory-built buildings, and modular buildings in order to match the fees currently charged by Arizona OMH.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Show Low, Arizona, as follows:

Section 1

As authorized by the Show Low City Code, the following building permit fee schedule is hereby adopted:

1. Building permit fees shall be calculated utilizing the *1997 Uniform Building Code* fee schedule adopted by resolution of the City Council. Valuation shall be determined by the average cost per square foot as updated and published by the International Conference of Building Officials.
2. In the event of substitution or if revised plans are submitted for a site for which a permit has been reviewed, a new plan review fee shall be charged.
3. Transfer of building permits shall be charged at the rate of \$25.00.

4. Cancellation and refunds on large (commercial) projects shall be charged a minimum of 25 percent of the permit fee for any cancellation or refund except the minimum of at least \$5.00 and an additional fee of \$50.00 for each inspection performed prior to the cancellation and/or refund.
5. Special permit fees shall be charged at the rates of \$10.00 for moving and \$50.00 for demolition.
6. Manufactured Homes–State permit shall be charged at the rate of \$350.00. A Manufactured Homes–City permit is also required and shall be charged at the rate of \$200.00. A separate electric permit shall also be required at \$50.00. Total permit fees for a manufactured home shall be \$600.00.
7. Independent inspections shall be charged a minimum of \$50.00 per inspection.

PASSED AND ADOPTED this 5th day of January, 2016, by the Mayor and Council of the City of Show Low, Arizona.

Daryl Seymore, Mayor

ATTEST:

Ann Kurasaki, City Clerk

APPROVED AS TO FORM:

F. Morgan Brown, City Attorney



DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

1110 W. WASHINGTON, SUITE 100

PHOENIX, AZ 85007

(602) 364-1003 OFFICE

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www.dfbls.az.gov

FEE SCHEDULE FOR 2016 FISCAL YEAR

FEES ARE EFFECTIVE JULY 1, 2015

Fees charged by the Department are not included in Rule and are exempt from the State Rule procedures (Arizona Revised Statutes § 41-2144(C)).

<u>LICENSING FEES</u>				
	Class	Class Description	New License	Renewal License
MANUFACTURER	M-9A	Factory-built-buildings (FBB) and subassemblies	\$ 864.00	\$ 432.00
	M-9C	Manufactured (MFG) Homes	\$ 864.00	\$ 432.00
	M-9E	Master, includes M-9A and M-9C	\$ 1,358.00	\$ 679.00
RETAILER/ DEALER/ BROKER	D-8	Retailer Mobile/MFG Homes	\$ 566.00	\$ 283.00
	D-8B	Broker Mobile/MFG Homes	\$ 432.00	\$ 216.00
	D-10	Retailer FBB or FBB Subassemblies	\$ 566.00	\$ 283.00
	D-12	Master, includes D-8, D-8B, and D-10	\$ 864.00	\$ 432.00
INSTALLERS	I-10C	General Installer	\$ 432.00	\$ 216.00
	I-10D	Installer of Attached Accessory Structures	\$ 432.00	\$ 216.00
	I-10G	Master, includes I-10C and I-10D	\$ 741.00	\$ 370.00
SALESPERSON	NA	Employee of a licensed Retailer/Dealer/Broker	\$ 206.00	\$ 103.00

<u>PLAN FEES</u>	
DESCRIPTION	FEE
Standard Plan Review	
Application Submittal and Plan Review	\$150.00 Includes up to 1 hour of plan review time
Plan Review	\$119.00 hour Each additional hour
EXPEDITED Plan Review	
Expedited Application and Plan Review	\$269.00 Includes up to 1 hour of plan review time
Expedited Plan Review	\$238.00 hour Each additional hour

CERTIFICATE (INSIGNIA) FEES	
DESCRIPTION	FEE
Installation Certificate	\$10.00 each
Modular Manufacturer Certificate	\$51.00 each
Reconstruction Certificate	\$51.00 each

PERMIT FEES		
DESCRIPTION	STATE ISSUED PERMIT FEE	IGA FEE
Mobile/MFG Home	\$350.00 each <i>Includes 3 Inspections</i>	Up to \$ 350.00 each
FBB – residential	\$ 450.00 per story <i>Includes 3 Inspections</i>	\$ 450.00 per story
FBB – commercial	\$ 4.50/LF per story <i>Includes 3 Inspections</i>	\$ 4.50/LF per story
6 Month Extension on Permit (MFG and FBB)	\$ 82.00	
FBB Special Event	\$ 67.00	
Rehabilitation – Mobile Home	\$ 49.00 <i>Includes 2 Inspections</i>	

INSPECTION FEES	
DESCRIPTION	FEE
MFG facility	\$ 51.00 per hour, plus mileage @ 0.445/mile
Installation Re-Inspection (MFG, FBB, Rehabilitation)	\$ 82.00 per hour, plus mileage @ 0.445/mile
Technical Service	\$ 82.00 per hour

INSTALLATION TRAINING	
DESCRIPTION	FEE
Installation Training <i>OMH Installer: Qualifying Party or Corporate Officer</i> <i>Registrar of Contractor; Participant in the Installation Certificate Program: Qualifying Party or Corporate Officer</i>	\$ 100.00

ADMINISTRATIVE FUNCTION FEES	
DESCRIPTION	FEE
Change on installation permit	\$ 10.00 per item
Change name of license	\$ 10.00 each
Change license location	\$ 10.00 each
Change license telephone number	\$ 10.00 each
Add branch location	\$ 10.00 each
Delete branch location	\$ 10.00 each
Reinstate bond	\$ 10.00 each
Process returned check	\$ 10.00 each
Change status of license to inactive	\$ 10.00 each
Copies	\$.50 each
All refunds are subject to a fee of	\$ 59.00 each

CITY OF SHOW LOW STAFF SUMMARY REPORT

AGENDA TITLE: Consideration of Resolution No. R2016-02 Revising Term Expiration Dates for Commission, Board, and Committee Members (Ann Kurasaki)

RECOMMENDATION

I **MOVE** to adopt Resolution No. R2016-02 revising term expiration dates for all commission, board, and committee members for the City of Show Low.

BACKGROUND

The Show Low City Code allows the City Council to create and appoint community members to serve on commissions, boards, and committees. These entities assist the Council by discussing, researching, and making recommendations to the Council, as needed, about specific matters or issues related to City business. Currently, there are four active commissions, boards, or committees—the Planning and Zoning Commission, Board of Adjustment, Aviation Advisory Committee, and Parks and Recreation Advisory Committee.

Because these entities were established in various years, the members' term expiration dates vary widely. With the new state law to consolidate municipal elections with county and state elections and move them to the fall of even-numbered years, a newly seated Council member now begins serving in December. To give a newly seated Council member time to learn and understand his or her new role and to streamline the process of appointments for the Council, staff is recommending that the expiration dates of all committee members end at the same time. The Council discussed this issue at a retreat last October and a date of March of odd-numbered years was deemed the most appropriate, resulting in Resolution No. R2016-02 being offered for consideration.

Attachments:
Resolution No. R2016-02

CITY OF SHOW LOW RESOLUTION NO. R2016-02

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF
SHOW LOW, ARIZONA REVISING TERM EXPIRATION DATES FOR
ALL COMMISSION, BOARD, AND COMMITTEE MEMBERS FOR
THE CITY OF SHOW LOW**

RECITALS:

WHEREAS, Section 2-4-7 of the Show Low City Code provides for the creation of committees and commissions, standing and special, as is deemed necessary by the City Council; and

WHEREAS, the City Council has periodically established a number of commissions, boards, and committees, each with varying termination dates of its members; and

WHEREAS, in an effort to streamline the process for interviewing and appointing applications to said commissions, boards, and committees, this resolution revises term expiration dates of all commission, board, and committee members to end in March of odd-numbered years.

ENACTMENT:

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Show Low, Navajo County, Arizona that the terms of all current and future commission, board, and committee members end in March of odd-numbered years.

PASSED AND ADOPTED this 5th day of January, 2016, by the Mayor and Council of the City of Show Low, Arizona.

Daryl Seymore, Mayor

ATTEST:

Ann Kurasaki, City Clerk

APPROVED AS TO FORM:

F. Morgan Brown, City Attorney